

Questions and Answers (Q & A)

Q. Who is eligible?

Applicants who:

- must be over the age of 18 years old
- have a combined total maximum gross income of all members of the household at or below \$72,100 annually - *please note: a household can be defined as any of the following:*
 - the individual making the application
 - any person the individual is living with in a spousal relationship, including same sex spousal relationship
- are renters who do not currently own a home or property
- be a legal resident of Canada and intend to have this home as your one and only residence

Q. How do you determine my income if I am self employed?

Income from self employment will be reduced by all deductions allowed by the Canada Customs and Revenue Agency, except for the following:

- Capital cost allowances for the depreciation of assets
- Rent paid by the individual, where the individual operates the business from the unit and childcare expenses

Q. What does the Homeownership program offer?

- eligible households will receive financial assistance to use as a down payment to purchase a newly built home
- ten percent (10%) down payment assistance is provided up to a maximum of \$26,000 to assist in purchasing a home at a purchase price not to exceed \$260,861
- funds provided are a 20-year interest free and payment free loan subject to some conditions and rules

Q. What type of home can I buy?

- Home purchased must be located within the City of Hamilton
- Homes purchased must be new units not previously occupied and eligible for TARION's new home warranty.
- The home purchases cannot exceed the maximum price of \$260,861
- Dwellings may be single detached, semi-detached, condominium, townhouse or row house.
- mobile homes are **not eligible**.
- ***as of February 2010, resale homes are also eligible; a home inspection is mandatory for all resale homes

Q. Do I have to go through a real estate agent?

Yes, for resale homes you will need to use a real estate agent. For newly constructed homes please consider the Hamilton-Halton Home Builders'

Association (HHHBA) as a resource that will help you ask the right questions, understand the building process and learn some common building terms.

Q. Is this loan required to be repaid?

If the house is sold before 20 years, you will need to repay the original amount of the down-payment assistance PLUS ten percent (10%) of the capital gain (capital gain defined as difference between original purchase price and current market appraised value). **The COAHP loan will be registered on title.**

If the home is sold after 20 years, the down payment assistance is considered a forgivable loan – there would be no required repayment or capital appreciation payment.

Q. Am I allowed to stay in the home and pay the loan back before the 20 years is up?

Yes, households may pay the loan back at any time but

- the original amount of the down-payment assistance plus 10% of the capital gain established by an appraised value of the home must be paid in full
- partial payments are not allowed
- you must pay all costs associated for appraisals/discharges/processing

Q. If I don't currently live in Hamilton, can I still participate in the homeownership program?

Yes. As long as the new home is constructed in Hamilton and you move to Hamilton to make the new home your one and only residence.

Q. Can I live somewhere else and lease (rent) the house?

No – the unit must remain the sole and principle residence of the applicant for the entire 20-year period. It may not be leased to another party.

Q. Where can I obtain an application form?

Applications can be downloaded from the City of Hamilton website or picked up from 55 Hess St S, 23rd Floor, Housing Division.

Once the application is submitted, the City will determine eligibility.

Q. What must accompany the completed application form?

Please make sure that you have the following attached to your application:

- ✓ Photo identification with proof of age for the applicant and co-applicant
- ✓ Copy of rent receipt(s)
- ✓ Proof of household income (notice of income tax assessment and a current pay stub)
- ✓ Proof of household assets (if any)
- ✓ Proof of mortgage pre-approval